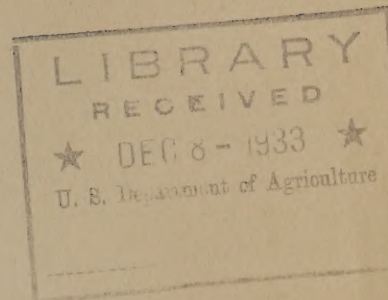


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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

PROPOSED
MARKETING AGREEMENT
FOR
MILK - LINCOLN, NEBRASKA AREA
As Set for Hearing December 4, 1933

The Marketing Agreement for the Lincoln, Nebr. Milk Shed, in its present form merely reflects the proposal of the above mentioned Area, and none of the provisions contained therein are to be regarded as having received the approval of the Agricultural Adjustment Administration as applying to this Area.

MARKETING AGREEMENT FOR MILK

LINCOLN, NEBRASKA.

ARTICLE I.

Purposes

The parties to this Agreement are the contracting distributors, the contracting producers, and the Secretary of Agriculture of the United States.

WHEREAS, it is the declared policy of Congress, as set forth in Section 2 of the Agricultural Adjustment Act, approved May 12, 1933, as amended -

- (a) To establish and maintain such balance between the production and consumption of agricultural commodities and such marketing conditions therefor, as will reestablish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the base period, the base period in the case of all agricultural commodities except tobacco being the prewar period, August 1909 - July 1914, and in the case of tobacco, the base period being the post-war period, August 1919 - July 1929.
- (b) To approach such equality of purchasing power by gradual correction of the present inequalities therein at as rapid a rate as deemed feasible in view of the current consumptive demand in domestic and foreign markets.
- (c) To protect the consumers' interest by readjusting farm production at such level as will not increase the percentage of the consumers' retail expenditures for agricultural commodities, or products derived therefrom, which is returned to the farmer, above the percentage which was returned to the farmer in the prewar period, August 1909-July 1914.

And -

WHEREAS, pursuant to the Agricultural Adjustment Act, the parties hereto, for the purpose of correcting conditions now obtaining in the production of milk in the Lincoln, Nebraska production area, and the distribution thereof, and to effectuate the declared policy of the Act, desire to enter into a marketing agreement under the provisions of Section 8 (2) of the Act:

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE II

Definitions

As used in this Agreement, the following words and phrases are defined as follows:

1. The term "Secretary" means the Secretary of Agriculture of the United States or his duly authorized representative.
2. The term "Act" means the Agricultural Adjustment Act, approved May 12, 1933, as amended.
3. The term "person" means individual, partnership, corporation, and association or any other business unit.
4. The term "Fluid milk" means milk, cream or any other of the articles listed in Exhibit "C" which are sold for consumption in the hereinafter defined sales areas.
5. The term "Contracting Producers" means Lincoln Non-Stock Co-operative Milk Producers Association (a non-stock co-operative corporation organized and existing under the laws of the State of Nebraska) Midwest Non-Stock Co-operative Dairies (a non-stock Co-operative Corporation organized and existing under the laws of the State of Nebraska) and such producers and associations of producers of milk in the Lincoln production area sold for consumption as fluid milk in the Lincoln sales area (irrespective of whether any such persons perform any of the services set forth in definition 6 infra) as may become parties signatory to this Agreement.
6. "Contracting Distributors" means the following persons engaged in the business of handling fluid milk (irrespective of whether any such persons are also producers of milk) for consumption in the Lincoln sales area, as may become parties signatory hereto according to the terms hereof:
 - (a) Pasteurizers, bottlers, or other processors of fluid milk.
 - (b) Persons distributing fluid milk at wholesale or retail, (1) to hotels, restaurants, stores, or other establishments for consumption on the premises, (2) to stores or other establishments for resale, or (3) to consumers.
 - (c) Persons operating stores, milk stands, or other establishments selling fluid milk at retail for consumption on or off the premises.
7. The term "Lincoln Sales Area" means that territory including the City of Lincoln and that territory lying within the following boundary lines:

Beginning at a point in the center of the intersection of the public High-ways at the Southeast corner of Section Thirty-six (36), Township Nine (9), North Range Eight (8), East, Lancaster County, Nebraska; thence North fourteen miles (14), along the center of said public High-way, the same being the public High-way running North and South between Lancaster County, Nebraska, and Otoe County, Nebraska, to the Northeast corner of Section Twenty-five (25), Township Eleven (11), North Range Eight (8), East; thence West Four miles (4) along the center of the public High-way running East and West along the North side of said Section Twenty-five (25), to the Northwest corner of Section Twenty-eight (28), Township Eleven (11) North, Range Eight (8), East, Lancaster County, Nebraska; thence North four miles (4) along the center of the public High-way running North and South between Sections twenty-eight and twenty-nine (28 and 29), to the Northeast corner of Section Five (5), Township Eleven (11), North Range Eight (8), East, Lancaster County, Nebraska; thence West along the center of the High-way, running East and West along the North side of said Section Five (5), Twelve miles (12) to the Northwest corner of Section Four (4), Township Eleven (11), North, Range Six (6), East, Lancaster County, Nebraska; thence South four miles (4) along the center of the public High-way, running North and South, between Sections Four (4) and Five (5), to the Southeast corner of Section Twenty (20), Township Eleven (11), North, Range Six (6), East, Lancaster County, Nebraska; thence west along the center of the public High-way, running East and West along the South side of said Section Twenty (20), eight miles (8) to the Northwest corner of Section Thirty (30), Township Eleven (11), North, Range Five (5), East, Lancaster County, Nebraska; thence South along the middle of the public High-way, running North and South along the West side of Section Thirty (30), the same being the West boundary line of Lancaster County, Nebraska, ten miles (10), to the southwest corner of Section Seven (7), Township Nine (9), North of Range Five (5), East, Lancaster County, Nebraska; thence East along the center of the High-way running East and West along the South side of said Section Seven (7), four miles (4) to the Northeast corner of Section Fifteen (15), Township Nine (9), North, Range Five (5), East, Lancaster County, Nebraska; thence South along the center of the High-way, running North and South along the East line of Said Section Fifteen (15), eight miles (8) to the Southeast corner of Section Twenty-two (22), Township Eight (8), North, Range Five (5), East, Lancaster County, Nebraska; thence East along the center of the public High-way running East and West along the south side of said Section Twenty-two (22), Seventeen miles (17) to the Southeast corner of Section Twenty-one (21),

Township Eight (8), North, Range Eight (8), East, Lancaster County, Nebraska; thence North along the center of the public highway running North and South along the East line of said Section Twenty-one (21), four miles (4) to the Northeast corner of Section Four (4), Township Eight (8), North, Range Eight (8), East, Lancaster County, Nebraska; thence East along the center of the Highway running East and West along the North line of said Section Four (4), Three Miles (3) to the place of beginning.

8. The term "Lincoln Production Area" means that territory lying within the following boundary lines within the State of Nebraska:

Beginning at a point at the Southeast corner of Section Twenty-six (26), Township Seven (7), Range Eight (8), Lancaster County, Nebraska; thence north five miles (5) along the center of the public road running North and South between Section Twenty-five (25) and Twenty-six (26), Township Seven (7), Range Eight (8), Lancaster County, Nebraska, to the Southeast corner of Section Thirty-five (35), Township Eight (8), Range Eight (8), Lancaster County, Nebraska; thence West one mile (1), along the public highway running east and west along the south side of said Section Thirti-five (35); thence North along the public highway running North and South along the West side of said Section Thirty-five, ten miles to the Southwest corner of Section Eleven (11), Township Nine (9), Range Eight (8); thence East along the public highway running East and West along the South side of said Section Eleven (11), one mile (1), to the Southeast corner of said Section Eleven (11); thence North along the public highway running North and South along the East side of said Section Eleven (11) Two miles (2) to the Southwest corner of Section Thirty-six (36), Township Ten (10), Range Eight (8), Lancaster County, Nebraska; thence East along the public highway running East and West along the South side of said Section Thirty-six (36), one mile (1), to the Southeast corner of said Section Thirty-six (36), thence North along the public highway running North and South along the East side of said Section Thirty-six (36), the same being the dividing line between Lancaster County, Nebraska, and Otoe County, Nebraska, eleven miles (11) to the Southeast corner of Section one (1), Township Eleven, (11), Range Eight (8), Lancaster County, Nebraska; thence West along the public highway running East and West along the South side of said Section one (1), One mile (1), to the Southwest corner of said Section One (1); thence North along the public highway running North and South along the West side of said Section One (1), three miles, to the Southeast corner of Section Twenty-three (23), Township Twelve (12), Range Eight (8), Lancaster County, Nebraska; thence West along the public highway running East and West along the South side of said Section Twenty-three (23), to the Southwest corner of said Section; thence North along the public highway running North and South on the West side of said Section Twenty-three (23), to the Southeast corner of Section Fifteen (15), Township

Twelve (12), Range Eight (8), Lancaster County, Nebraska, thence West along the public highway running East and West along the South side of said Section Fifteen (15), seven (7) miles to the Southeast corner of Section Sixteen (16), Township Twelve (12), Range Eight (8), Lancaster County, Nebraska; thence North along the public highway running North and South along the East side of said Section Sixteen (16), One mile (1), to the Northeast corner of said Section Sixteen (16); thence West along the public highway running East and West on the North side of said Section Sixteen (16), Fourteen miles (14) to the Northwest corner of Section Seventeen (17), Township Twelve (12), Range Five (5), Lancaster County, Nebraska; thence South along the public highway running North and South on the West side of said Section Seventeen, Five miles (5) to the Southeast corner of Section Six (6), Township Twelve (12), Range Five (5), Lancaster County, Nebraska; thence West along the public highway running North and South on the South side of said Section Six (6), One mile (1) to the Southwest corner of said Section Six (6); thence South along the public highway running North and South along the West side of said Section Six (6), the same being the dividing line between Lancaster County, Nebraska, and Seward County, Nebraska; three miles (3), to the Northeast corner of Section Twenty-five (25) Township Eleven (11), Range Four (4), Seward County, Nebraska; thence West along the public highway running East and West along the North side of said Section Twenty-five (25), one mile (1) to the Northwest corner of said Section Twenty-five (25); thence South along the public highway running North and South along the West side of said Section Twenty-five (25) two miles (2), to the Northeast corner of Section two (2), Township Ten (10), Range Four (4), Seward County, Nebraska; thence West along the public highway running East and West along the North side of said Section Two (2), one mile (1) to the Northwest corner of said Section Two (2); thence South along the public highway running North and South along the west side of said Section Two (2) Two miles (2), to the Southwest corner of Section Eleven (11), Township Ten (10), Range Four (4), Seward County, Nebraska; thence East along the public highway running East and West along the South side of said Section Eleven (11), one mile (1) to the Northwest Corner of Section Thirteen (13), Township Ten (10), Range Four (4), Seward County, Nebraska; thence South along the public highway running North and South along the West side of said Section Thirteen (13) Five miles (5) to the Southwest corner of Section One (1), Township Nine (9), Range Four (4), Seward County, Nebraska; thence East along the public highway running East and West along the South side of said Section One (1) Four miles (4), to the Northeast corner of Section Nine (9), Township (9), Range Five (5), Lancaster County, Nebraska; thence South along the public highway running North and South along the East side of said Section Nine (9), Two miles (2) to the Southwest corner of Section Fifteen (15), Township nine (9), Range Five (5), Lancaster County, Nebraska;

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thence East along the public highway running East and West along the South line of said Section Fifteen (15), one mile (1) to the Southeast corner of said section Fifteen (15); thence South along the public highway running North and South along the East side of said Section Fifteen (15), three miles (3) to the Southeast corner of Section Thirty-four (34), Township Nine (9), Range Five (5), Lancaster County Nebraska; thence West along the highway running East and West on the South side of said Section Thirty-four (34) One mile (1) to the Southwest corner of said Section Thirty-four (34); thence South along the public highway running North and South along the West side of said Section Thirty-four (34) three miles (3), to the Southeast corner of Section Sixteen, thence West along the public highway running East and West along the South side of said Section Sixteen (16) Two miles (2) to the Northeast corner of Section Nineteen (19), Township Eight (8), Range Five (5), Lancaster County, Nebraska; thence South along the public highway running North and South along the East line of said Section Nineteen (19), two miles (2) to the Southeast corner of Section Thirty (30), Township Eight (8), Range Five (5), Lancaster County, Nebraska; thence West along the public highway running East and West along the South side of said Section Thirty (30) One mile (1), to the Southwest corner of said Section Thirty (30); thence South along the public highway running North and South along the West side of said Section Thirty (30), the same being the dividing line between Lancaster County, Nebraska and Seward County, Nebraska, three miles (3) to the Southwest corner of Section Seven (7), Township Seven (7), Range Five (5), Lancaster County, Nebraska; thence East along the public highway running East and West along the South side of said Section Seven (7), Four miles (4) to the Northwest corner of Section Fourteen (14), Township Seven (7), Range Five (5), Lancaster County, Nebraska; thence South along the public highway running North and South along the West line of said Section Fourteen (14), One mile (1), to the Southwest corner of said Section Fourteen (14), thence East along the public highway running East and West along the South side of said Section Fourteen (14), three miles (3), to the Northwest corner of Section Twenty (20), Township Seven (7), Range Five (5), Lancaster County, Nebraska; thence South along the public highway running North and South along the West side of said Section Twenty (20), One mile (1) to the Southwest corner of said Section; thence East along the public highway running East and West along the South side of said Section Twenty (20) Two miles (2) to the Northeast corner of Section Twenty-eight (28), Township Seven (7), Range Six (6), Lancaster County, Nebraska; thence South along the public highway running North and South along the East side of said Section Twenty-eight (28) Four miles (4) to the Southwest corner of Section Ten (10), Township Six (6), Range Six (6), Gage Co.,

Nebraska; thence East along the South line of said Section Ten (10), Seven miles (7), to the Southeast corner of Section Ten (10), Township Six (6), Range Seven (7), Gage County, Nebraska; thence North along the public highway running North and South along the East side of said Section Ten (10), two miles (2) to the Southwest corner of Section Thirty-five (35), Township Seven (7), Range Seven (7), Lancaster County, Nebraska; thence East along the public highway running East and West along the South side of said Section Thirty-five (35), Two miles (2) to the Southeast corner of Section Thirty-six (36), Township Seven (7), Range Seven (7), Lancaster County, Nebraska; thence North along the public highway running North and South along the East side of said Section Thirty-six (36), One mile (1) to the Northeast corner of said Section, thence East along the public highway running East and West along the North side of said Section Thirty-six (36) Five miles (5) to the place of beginning.

"Lincoln Sales Area" also means those farms where the owner or tenant thereof has an established base with a distributor now marketing milk within the Lincoln sales area lying within the following counties of the State of Nebraska:

Lancaster	Otoe
Seward	Saunders
Cass	Gage

9. The term "Subsidiary" means any person, of or over whom a contracting distributor or a contracting producer has either directly or indirectly, actual or legal control, whether by stock ownership or in any other manner.

10. The term "Affiliate" means any person which has, either directly or indirectly, actual or legal control of or over a contracting distributor, whether by stock ownership or in any other manner.

11. The term "Books and Records" means books, records, accounts, contracts, memoranda, documents, papers and correspondence, or other written data pertaining to the business of the person in question.

12. The term "Milk Board" means the Milk Foundation, Inc., (a non-stock non-profit corporation, organized and existing under the laws of the State of Nebraska) the board of directors of which shall be five (5) in number to be named annually as follows: Two (2) by the contracting producers; two (2) by the contracting distributors, to be elected by a majority in number and in volume of milk distributed, provided, however, that no contracting distributor shall be represented by more than one member; one (1) by the Director of Agriculture Extension of the University of Nebraska. Such member shall be a resident of the sales area and shall have no connection financially or otherwise with the distribution of milk or products derived therefrom.

13. The term "District Committee" means the District Milk Industry Committee, as provided in Exhibit "D" hereof.

14. The term "Regional Board" means the Regional Milk Industry Board, as provided in Exhibit "E" hereof.

15. The term "National Board" means the National Milk Industry Board, as provided in Exhibit "E" hereof.

ARTICLE III

1. The Milk Board shall employ such agents, assistants and clerks as may be necessary to perform its duties. All officers and employees of the Milk Board who handle funds of the Milk Board or who sign or countersign checks upon such funds shall severally give bonds in such amounts and with such sureties as shall be determined by the Milk Board. The cost of such bonds shall be paid by the Milk Board.

2. The members of the Board of Directors shall serve without compensation, but shall be entitled to reimbursement for the expenses incurred in the performance of their duties.

3. The Milk Board shall be financed as provided in Exhibit "B", which is attached hereto and made a part hereof.

4. Subject to such regulations as the Secretary may prescribe, it shall be the duty of the Milk Board:

(a) to receive and investigate complaints of violations of the terms or conditions of this Agreement and to issue warnings with respect thereto;

(b) to adjust disputes arising under this Agreement between contracting producers and/or contracting distributors;

(c) to report its findings, with recommendations, to the Secretary for proceedings under the Act or otherwise which he may deem advisable;

(d) to cooperate in the establishment of, to establish and to record bases for all producers, and to cancel bases of particular producers, in accordance with the provisions of Exhibit "B";

(e) to receive and act upon, in accordance with the provisions of Exhibit "B", the applications of new producers as determined in Exhibit "B";

(f) to receive and collect from distributors reports of sales of the various classes of milk and any other information required by the Milk Board in the performance of its duties;

(g) to review in accordance with the provisions of Exhibit "B" the operations of any sales pool, equalization fund, and marketing plan provided for in this Agreement;

(h) to account for all funds collected pursuant to this Agreement.

ARTICLE IV

1. The schedule governing the prices at which, and the terms and conditions under which, milk shall be sold by the contracting producers and purchased by the contracting distributors for distribution as fluid milk, shall be that set forth in Exhibit "A", which is attached hereto and made a part hereof. The provisions of such schedule may be changed from time to time by Agreement between 75% of the contracting producers, measured by total volume of milk produced within the production area, for distribution as fluid milk during the calendar month next preceding the date of any such agreement which percentage of production shall include 65% of the producers on the one hand, and 75% of the contracting distributors measured by total volume of milk sold as fluid milk within the sales area, during the calendar month next preceding the date of any such agreement which percentage of distribution shall include 65% of the distributors, on the other hand, provided, however, that such changes shall become effective only upon written approval of the Secretary. Payments to the Milk Board made pursuant to sections 1, 2, and 6 of Article II and section 2 of Exhibit B, which is attached hereto and made a part of this Agreement, and like payments to Lincoln Non-Stock Co-operative Milk Producers' Association made pursuant to membership agreements, shall, respectively, be deemed part of the price paid to producers.

2. The plan governing the marketing of milk within the production area and the sales area shall be that set forth in Exhibit "B", which is attached hereto and made a part of this Agreement. Such plan may be modified by agreement between 75% of the contracting producers, measured by total volume of milk produced within the production area, for distribution as fluid milk during the calendar month next preceding the date of any such agreement which

percentage of production shall include 65% of the producers, on the one hand, and 75% of the contracting distributors, measured by total volume of milk sold as fluid milk within the sales area, during the calendar month next preceding the date of such agreement which percentage of distribution shall include 35% of the distributors, on the other hand, provided, however, that such changes shall become effective only upon the written approval of the Secretary.

3. The schedule governing the prices at which and the terms and conditions under which fluid milk shall be distributed and sold by the contracting distributors in the Lincoln sales area, shall be that set forth in Exhibit C, which is attached hereto and made a part of this Agreement. Such schedule may be changed from time to time by agreement between 75% of the contracting producers, measured by total volume of milk produced with the production area, for distribution as fluid milk during the calendar month next preceding the date of any such agreement which percentage of production shall include 65% of the contracting producers, on the one hand, and 75% of the contracting distributors measured by total volume of milk sold as fluid milk during the calendar month next preceding the date of any such agreement within the sales area, which volume of percentage of distribution shall include 65% of the contracting distributors, on the other hand, provided, however, that such changes shall become effective only upon the written approval of the Secretary.

4. The schedule of fair practices set forth in Exhibit D, which is attached hereto and made a part of this Agreement, shall be the uniform schedule of fair practices for the sales area. The provisions of such schedule may be changed from time to time by agreement between 75% of the contracting distributors measured by the total volume of milk sold as fluid milk within the sales area during the calendar month next preceding the date of any such agreement, which percentage of distribution shall include 65% of the distributors by number, provided, however, that such changes shall only become effective upon the written approval of the Secretary.

5. The plan governing the organization and designation of the several production areas and sales areas, operating under agreements formulated in accordance with the provisions of the Act and to which the Secretary is a party, as districts and regions shall be that set forth in Exhibit C, which is attached hereto and made a part of this Agreement. The duties, powers, and privileges of the district committees, regional boards, and national board shall be those enumerated in Exhibit E.

6. (a) The contracting distributors agree that they will not purchase milk from any producer not a member of the Lincoln Non-Stock Co-operative Milk Producers Association unless such producer authorized the purchasing contracting distributor to pay over to the Milk Board the same amount per hundred pounds of milk purchased which members of the Lincoln Non-Stock Co-operative Milk Producers Association are then authorizing the contracting distributors

to pay over to the Lincoln Non-Stock Co-operative Milk Producers Association on behalf of its members, and such purchasing contracting distributors shall simultaneously with making payment to the producer for milk purchased, make payment as aforesaid to the said Milk Board. The sum so paid shall be kept as a separate fund by the Milk Board and expended by said Milk Board in securing for nonmembers of the Lincoln Non-Stock Co-operative Milk Producers Association services and benefits generally similar to those which are secured by the members of the Lincoln Non-Stock Co-operative Milk Producers Association by virtue of their like payments to Lincoln Non-Stock Co-operative Milk Producers Association.

(b) The Lincoln Non-Stock Co-operative Milk Producers Association hereby agrees to pay to said Milk Board on the 15th of each month on behalf of its members the sum of one-half cent per hundredweight of fluid milk sales made by its members during the preceding month. Milk Board shall allocate one-half cent per hundredweight of fluid milk from that money paid to it on behalf of contracting producers who are non-members of the Lincoln Non-Stock Co-operative Milk Producers Association for purposes set forth in this paragraph. The contracting distributors further severally agree to pay to said Milk Board on the 15th of each month one-half cent per hundredweight of fluid milk sold by them as Class 1 and Class 2 milk as hereafter defined in Exhibit A, during the preceding month. Each contracting producer, who distributes milk or cream, which is produced by him, agrees to pay to said Milk Board on the 15th of each month one-half cent per hundredweight of fluid milk sold by him as Class 1 and Class 2 milk during the preceding month. The aforesaid monies shall be maintained as a separate fund by said Milk Board for the purpose of securing to producers and distributors advertising, educational, adjusting complaints, and other similar benefits, and for its necessary office, clerical and operating expenses as required for the efficient administration of the distributors' pool equalization fund, and for the salary of the auditor, (all as more fully described in Exhibit B, hereto attached).

(c) The balance of the sum paid to said Milk Board by contracting producers who are non-members of the Lincoln Non-Stock Co-operative Milk Producers Association shall be maintained as a separate fund by said Milk Board for the purpose of securing to said non-member producers credit protection, price equalization on excess milk, check-testing and other benefits similar to those which are secured by members of the Lincoln Non-Stock Co-operative Milk Producers Association by virtue of their like payments to said Lincoln Non-Stock Co-operative Milk Association.

The contracting producer and contracting distributors undertake that the Milk Board shall disburse such respective funds for the purposes hereinbefore provided and that such Milk Board shall keep separate books and records in form satisfactory to the Secretary pertaining to such funds, which said books and records shall be subject to the examination of the Secretary during the usual hours of business, and that the Milk Board and the Lincoln Non-Stock Co-operative Milk Producers Association shall from time to time furnish to the Secretary such information as the Secretary may require.

7. All contracting producers, not members of the Lincoln Non-Stock Co-operative Milk Producers Association shall be permitted to become members of the Lincoln Non-Stock Co-operative Milk Producers Association on an equal basis with existing members similarly circumstanced.

8. The contracting producers and the contracting distributors shall severally maintain systems of accounting which shall accurately reflect the true accounts and conditions of their respective businesses, which shall include any subsidiary or affiliate. Their respective books and records (including the books and records of such subsidiaries and affiliates) shall, during the usual hours of business, be subject to the examination of the Secretary to assist him in the furtherance of his duties with respect to this Agreement, including verification by the Secretary of the information furnished on forms hereinafter referred to. The contracting producers and contracting distributors shall severally, from time to time, furnish information to the Secretary on and in accordance with form to be determined by him, each of which reports shall be verified under oath. The Secretary, in his discretion, may permit the omission of any such subsidiary or affiliate from any such reports. In the event that the Lincoln Non-Stock Co-operative Milk Producers Association and/or the Milk Board and the Secretary shall have occasion to collect identical information from the same parties, the Lincoln Non-Stock Co-operative Milk Producers Association or the Milk Board, as the case may be, shall use forms acceptable to the Secretary and arrangements shall be made for the triplicate reports to be submitted to the Secretary and the Lincoln Non-Stock Co-operative Milk Producers Association and the Milk Board. All information (unless it would have been otherwise legally obtainable by the Secretary) obtained by or furnished to the Secretary, pursuant to this paragraph, if designated in writing as such when so obtained or furnished, shall remain the confidential information of the Secretary, and shall not be disclosed by him except upon lawful demand by the President, by either House of the Congress, of any committee thereof, or by any court, or when offered in evidence in any hearing authorized by the Act, or otherwise in the suspension or revocation as to one or more persons of any license issued by the Secretary whether or not such information was obtained from or furnished by the person or persons with respect to whose license the hearing was held. The Secretary, however, may combine and publish the information obtained from or furnished by the contracting parties in the form of general statistical studies or data. The Secretary may make and issue such regulations and prescribe such penalties in accordance with the provisions of Sub-Section (c), Section Ten (10) of the Act, as he may deem advisable in the event of any violation of the confidence or trust as imposed herein.

9. All fluid milk marketed and distributed in accordance with the terms of this Agreement shall be produced, received, transported, processed, bottled, and distributed in accordance with the provisions of the health laws, ordinances and regulations of the Federal, state, municipal or other political sub-divisions within which such milk is marketed and distributed. All such ordinances and regulations for the purposes herein stated shall be deemed a part hereof.

10. The contracting distributors hereby apply for and consent to licensing by the Secretary, subject to the applicable general regulations, Agricultural Adjustment Administration, prescribed by the Secretary and approved by the President, and not otherwise.

11. This Agreement shall become effective at such time as the Secretary may declare above his signature attached hereto, and this Agreement shall continue in force until terminated in one of the following ways:

(a) The Secretary may at any time terminate this Agreement as to all parties thereto by giving at least one day's notice by means of a press release or in any other manner which the Secretary may determine.

(b) The Secretary may, at any time terminate this Agreement as to any party signatory thereto, by giving at least one day's notice, by depositing the same in the mail and addressed to such party at his last known address.

(c) The Secretary shall terminate this Agreement upon the request or 75% of the contracting producers, which percentage of producers shall include 65% of the production of the production area, for distribution as fluid milk during the calendar month next preceding the date of any such request or 75% of the contracting distributors which percentage of distributors shall include 65% of the fluid milk sales of the sales area, during the calendar month next preceding the date of any such request by giving notice, in the same manner as provided in subdivision (a) above.

(d) This Agreement shall in any event terminate whenever the provisions of the Act authorizing it cease to be in effect.

12. The benefits, privileges and immunities conferred by virtue of this Agreement shall cease upon its termination, except with respect to acts done prior thereto; and the benefits, privileges and immunities conferred by this Agreement upon any party signatory hereto shall cease upon its termination as to such party, except with respect to acts done prior thereto.

13. This Agreement may be executed in multiple counterparts, which, when signed by the Secretary, shall constitute, when taken together, one and the same instrument as if all such signatures were contained in one original.

14. After this Agreement first takes effect any producer of fluid milk or any distributor of fluid milk, may become a party to this Agreement, if

a counterpart thereof is executed by him and the Secretary. This Agreement shall take effect as to such new contracting party at such time as the Secretary may declare above his signature attached to such counterpart, and the benefits, privileges and immunities conferred by this Agreement, shall then be effective as to such now contracting party.

15. If any provision of this Agreement is declared invalid, or the applicability thereof to any person, circumstance or thing is held invalid, the validity of the remainder of this Agreement and/or the applicability of any provision to any other person, circumstance or thing shall not be affected thereby.

16. Nothing contained in this Agreement shall be construed in derogation or modification of the rights of the Secretary to exercise any powers granted him by the Act or otherwise, and, in accordance with such powers, to act in the premises whenever he shall deem it advisable.

17. The Secretary may by a designation in writing, name any person, including any officer or employee of the government, to act as his representative in connection with any of the provisions contained in this Agreement to be performed by the Secretary.

18. This Agreement confers no exemption from the anti-trust laws and does not make lawful any acts otherwise unlawful, excepting as provided in the Act to the extent necessary to accomplish the purpose of this Agreement.

IN WITNESS WHEREOF the contracting producers and the contracting distributors, acting under the provisions of the Agricultural Adjustment Act for the purposes and subject to the limitations herein contained and not otherwise, have hereunto set their respective hands and seals.

WHEREAS, it is provided by Section 8 of the Act as follows:

In order to effectuate the declared policy, the Secretary of Agriculture shall have power to enter into marketing agreements with processors, associations of producers, and others engaged in the handling, in the current of interstate or foreign commerce of any agricultural commodity or product thereof, after due notice and opportunity for hearing to interested parties. The making of any such agreement shall not be held to be in violation of any of the anti-trust laws of the United States, and any such agreement shall be deemed to be lawful; Provided, That no such agreement shall remain in force after the termination of this Act.

And -

WHEREAS, due notice and opportunity for hearing to interested parties has been given pursuant to the provisions of the Act, and the regulations issued thereunder; and

WHEREAS, the Secretary finds (1) that the contracting producers and the contracting distributors are engaged in the handling of fluid milk in the current of interstate commerce; and (2) that the conditions existing in the marketing and distribution of fluid milk in intrastate commerce burden the marketing and distribution of fluid milk in interstate commerce; and (3) that the marketing and distribution of fluid milk in intrastate commerce is inextricably intermingled with its marketing and distribution in interstate commerce; and

WHEREAS, it appears, after the consideration, that this Agreement will tend to effectuate the policy of Congress declared in Section 2 of the Act, as hereinbefore in this Agreement set forth;

NOW THEREFORE, I, Henry A. Wallace, Secretary of Agriculture, acting under the provisions of the Agricultural Adjustment Act, for the purpose and within the limitations therein contained, and not otherwise, do hereby execute this Agreement under my hand and official seal of the Department of Agriculture, in the City of Washington, District of Columbia, on this _____ day of _____, and pursuant to the provisions hereof declare this Agreement to be effective on and after _____ Eastern Standard Time, _____.

Secretary of Agriculture.

EXHIBIT "A"

CLASSIFICATION OF MILK AND PRODUCER PRICES

1. Prices paid to producers shall be determined with reference to the rules for control of basic production and method of payment as set forth in Exhibit "B", attached hereto.

2. Classes of Milk.

All milk purchased and/or sold under this Agreement shall be divided into the following classes:

(a) Class I Milk.

Class I milk shall include all Special, Grade A and Grade B milk used or otherwise disposed of as follows:

All milk sold in bulk and in bottles,
All Bulgarian buttermilk sold in bottles,
All cream buttermilk sold in bottles,
All coffee cream sold in bottles,
All whipping cream sold in bottles,
All special cream sold in bottles,
All chocolate milk,

and shall include the difference between all milk delivered to any distributor and the total reported sales of such distributor in the several classes hereinbefore or hereinafter mentioned.

(b) Class II Milk.

Class II milk shall include all Special, Grade A and Grade B milk used, or otherwise disposed of as follows:

All plain buttermilk,
All milk, which is not already in Class I, from which the skim milk is utilized for making cottage cheese,
All cream sold in bulk,
All milk or cream used for ice cream mix, and
All cream stored for ice cream.

(c) Class III Milk.

Class III milk shall include all Special, Grade A and Grade B milk used, or otherwise disposed of as follows:

All milk used for making butter and from which the skim milk is not utilized for some product in Class I and/or Class II,
All milk used for hard cheese,
All milk used for condensed or evaporated milk, and
All milk purchased from producers who distribute fluid milk.

3. Payment to producers shall be computed on a hundredweight and butterfat percentage basis.

(a) Class I Milk - Special Milk, and both Grade A and Grade B - 46¢ per 1 lb. butterfat content, f.o.b. distributors' platform (and transportation differentials adopted for the market).

(b) Class II - Special Milk Milk, and both Grade A and Grade B - 36¢ per 1 lb. butterfat content, f.o.b. distributors' platform (and transportation differentials adopted for the market).

(c) Class III - The average daily price for each half-month of 90 score butter in Chicago as reported by the United States Department of Agriculture plus or minus 1/4¢ for each 1¢ this is above or below 20¢, plus an allowance per hundred for skim, per following schedule, based on the price of No. 1 spray powder for human consumption under the marketing agreement for No. 1 spray dry skim milk in schedule A, Class A:

Price No. 1 Spray

Skim Allowance

.05	Per pound
.05-1/4	" "
.05-1/2	" "
.05-3/4	" "
.06	" "
.06-1/4	" "
.06-1/2	" "
.06-3/4	" "
.07	" "
.07-1/4	" "
.07-1/2	" "
.07-3/4	" "
.08	

.05	per cwt.
.06	" "
.07	" "
.08	" "
.10	" "
.11	" "
.12	" "
.13	" "
.14	" "
.15	" "
.16	" "
.17	" "
.18	" "

4. Butterfat premiums and penalties may be based on 3.8 per cent of butterfat. The Milk Board shall have the power to formulate rules for the market as to said premiums and penalties.

5. No contracting distributor shall purchase any milk or cream from a producer who distributes milk or cream which is produced by said producer, except at the price paid for Class III milk.

EXHIBIT "B"

MARKETING PLAN

Article I

Production Control

1. The contracting distributors shall not purchase fluid milk which is not produced within the production area, provided, however, that the Milk Board, if it shall at any time find that the consumptive demand for Class I and Class II milk in the Sales Area exceeds the available supply of fluid milk produced within the production area, may permit such purchases for a limited period until such available supply shall equal such consumptive demand.

2. Funds collected by the Milk Board and not expended by the Board to meet the expenditures necessitated by the performance of the duties as set forth in Part III and Exhibit "E" of the Agreement shall be repaid to producers in proportion to their deliveries of fluid milk sold as Class I fluid milk and to the distributors in proportion to their sales of Class I fluid milk.

3. Producers who distribute only milk produced by themselves and who sell no part thereof to distributors, except at Class III price as set forth in Exhibit "A" shall not be subject to the provisions of this Exhibit.

4. For the purposes of this Agreement, the term base as used in respect to any producer, or herd of a producer, as the case may be, shall be:

(a) for that period of time dating from the execution hereof by the Secretary to and including January 1, 1935:

(1) In the case of producers who are members of the Lincoln Non-Stock Co-operative Milk Producers Association the quantity of milk recorded as such base in the files of said Lincoln Non-Stock Co-operative Milk Producers Association for the production period dating from July 1, 1933, to October 1, 1933.

(2) In the case of producers who have no base established by the Lincoln Non-Stock Co-operative Milk Producers Association a base shall be allotted as promptly as possible by the Milk Board and bases so allotted by the Milk Board shall be equitable as compared with the bases established by the Lincoln Non-Stock Co-operative Milk Producers Association:

(b) For that period of time dating from January 1, 1935, and thereafter during the period of this Agreement, the base of each producer shall be a volume of milk which is the same percentage of the producers' average daily production during three months, the period dating from July 1, 1934, to October 1, 1934, as the total average daily sales of fluid milk, reduced to terms of 3.8 per cent milk, is of the total average daily production of all producers in the production area.

(c) The base of any producer may at the discretion of the Milk Board be redetermined in accordance with the provisions of Section 4 of this Exhibit, provided that such redetermination shall not be made more often than once each twelve months.

5. The contracting distributors shall not purchase milk or cream from any new producer (the term "new producer" as used in this Agreement shall be deemed to mean such producer who commences to sell milk within the Sales Area after the effective date of this Agreement, and who was not selling milk at the time of the effective date of this Agreement) unless and until there shall have been first obtained for such new producer a certificate of necessity from the Milk Board. Any application for certificate of necessity shall be made to the Milk Board in writing upon forms supplied by the Milk Board. In the event that a certificate of necessity for any producer is denied after such application to the Milk Board, there shall be a right of immediate appeal to the Secretary in a manner to be determined by the Secretary, and he may, in his discretion, issue such certificate of necessity. In the event that a certificate of necessity is issued to a new producer, his established base shall be determined in the same manner as set forth in Section four (4) sub-section (c) hereof except the Milk Board, in its discretion, shall determine the period of production and sales from which such base shall be determined, provided that in no event shall such base exceed fifty per cent of such new producer's production at the time of application to the Milk Board for a certificate of necessity. The base so established shall be deemed to be the established base for such new producer thereafter.

6. Producers changing from one distributor to another may retain their same base provided notice is given to the Milk Board at least fifteen days before the change is made.

7. A producer with a base who, as a tenant, rents a farm may retain his base:

8. A tenant renting a farm may transfer his individual base from farm to farm with the herd for which such base is established.

9. A landlord who rents on shares is entitled to the entire base to the exclusion of the tenant, if the landlord owns the entire herd on such farm. If the cows are jointly owned, whether in a landlord-and-tenant relationship or otherwise, the base will be divided between the joint owners according to the ownership of the cows.

10. The separate bases of any landlord and his tenant or tenants may be established and handled as a single base. When the landlord and tenant or tenants separate, the combined bases will be divided according to the proportion of ownership of the herd.

11. A producer with a base who sells his entire herd to one purchaser at one time may transfer the base to the purchaser, provided, however, that the entire herd is maintained for six months consecutively after such sale and transfer, either on the farm on which such herd shall have been established or upon the first farm to which such herd may be moved by the said purchaser.

In such transfer at least as many cows of producing age as made the base must be transferred under the above conditions, except that not more than two cows for family use may be retained if the producing herd is greater than ten cows and only one cow may be retained if the herd consists of ten cows or less. Where the above conditions are not strictly complied with, the base will revert to the Lincoln Non-Stock Co-operative Milk Producers Association in the case of members of the association for re-allotment and to the Milk Board for re-allotment in the case of non-members of the Lincoln Non-Stock Co-operative Milk Producers Association.

12. A producer who moves his herd may retain his base only if there-after milk is produced by him on a farm:

(a) which has supplied milk for fluid milk in the Sales Area within one year preceding, or

(b) which lies within a Production Area which has regularly been supplying milk as aforesaid.

13. Where a herd is dispersed for any reason, without the base having been transferred with the said herd, the producer must replace the herd within ninety days if such base is to be retained by the producer.

14. Any producer who shall voluntarily cease to market milk for fluid milk in the sales area for a period of more than sixty consecutive days, shall forfeit his base. In the event that he resumes production thereafter he shall be treated, for the purpose of these rules, as if he were a new producer.

15. Any producer may combine all bases to which he may be entitled under this Agreement.

16. Any producer whose average monthly shipment for any three consecutive months, is less than eighty-five per cent of his base will thereby establish a new base equal to such average daily shipment.

17. All established bases dropped or not retained by producers under these rules may be reallocated by the Lincoln Non-Stock Co-operative Milk Producers Association in the case of members thereof, and by the Milk Board in the case of non-members of the Lincoln Non-Stock Co-operative Milk Producers Association. Any producer loses all rights to his established base where the base is transferred or if said base is not retained by him under these rules.

18. Where base milk supplied to any dealer is not sufficient for that respective distributor's requirements and if no milk from holders of established bases be available to that distributor, an increase in the base apportionment shall then be made to those producers supplying milk to him at that time.

19. Excesses over base may be kept at home and such excess milk shall not be sold in the sales area in competition with base milk. If such excess over base is sold in the sales area in competition with base milk, the Milk

Board shall notify the offending producer by written notice to stop or cause to be stopped such sale. In the event that such sale is not stopped within five days after the date on which such notice is mailed, the Milk Board shall, after due proof and opportunity for hearing, subject to the disapproval of the Secretary, cancel the base of the offending producer and thereupon the Milk Board shall reallocate such base, as provided in Section 17.

MARKETING PLAN

Article II

Equalization Pool

1. The distributors' equalization pool as hereinafter described shall become effective upon first pay period following date of approval and continue in effect during the period of this Agreement. The Milk Board shall administer such pool. A competent accountant, hereinafter termed "auditor", shall be retained by the Milk Board. Such auditor subject to the supervision of the Milk Board shall conduct the equalization pool in accordance with the following rules and regulations and such other rules and regulations as may hereafter be issued or approved by the Secretary.

2. Each distributor shall report to the auditor, on and in accordance with forms approved by the Milk Board, and on or before the fifth (5th) and twentieth (20th) day of each month, the following information with respect to the half month periods immediately preceding such dates (all quantities of milk being measured in hundredweight):

- (a) The quantity of milk and its weighted average butterfat test sold or used by such distributor as Class I milk.
- (b) The quantity of milk and its weighted average butterfat test sold or used by such distributor as Class II milk.
- (c) The quantity of milk and its weighted average butterfat test sold or used by such distributor as Class III milk (which shall be all milk delivered to such distributors during such period which was not sold or used by such distributor as either Class I or Class II milk).
- (d) The quantity of milk and the weighted average butterfat test thereof delivered to said distributor by or on behalf of producers.
- (e) The quantity of milk and the average butterfat test thereof delivered to such distributor by or on behalf of each producer, together with the name of each such producer.
- (f) The base of each such producer.
- (g) The quantity of milk reported under (e) above as having been delivered to such distributor by each producer which was within the base of such producer.

- (h) The sum of the quantities reported under (g) above as having been delivered to such distributor by each producer within the base of such producer, which shall be considered the delivered base of such distributor for such half month period.

3. With respect to each period, the auditor shall:

- (a) Compute the quantity of milk which each distributor used in each of Classes I, II and III and shall determine the total price of such respective quantities.
- (b) Compute the percentage of the quantity of milk delivered to all the distributors by producers within such producers' bases which was used by all distributors in each of such classes; and shall compute such respective percentages of each producer's delivered base, multiplying the respective results by the prices of the respective classes of milk.
- (c) Compute the sum to be paid producers per hundredweight for 3.8 per cent milk sold as Class I and Class II milk by multiplying the percentage of Class I and Class II milk obtained as in (b) by the respective prices of such classes, adding the result and dividing by the total quantity of Class I and II milk as obtained in 3 (a).

4. The auditor shall notify each distributor:

- (a) of the percentage of delivered base of each producer which is to be paid for at Class I and Class II prices;
- (b) of the price of Class I and Class II milk as determined in 3 (c).

5. Each distributor shall pay each of his producers for the percentage of base milk in hundredweight as notified in 4 (a) at the price as notified in 4 (b) for its butterfat content. All base milk not paid for at Class I and Class II prices shall be paid for at the price for Class III milk. For all milk in excess of base the distributor shall pay the Class I, II, or III price or the price or prices for the respective classes in which such excess milk is used.

6. If, with respect to a given distributor, the total of the results reached under (b) of paragraph 3 is less than the total of the results reached under (a) of paragraph 3, the auditor shall notify such distributor to pay into the equalization fund the difference between such totals.

7. If, with respect to a given distributor, the total of the results reached under (b) of paragraph 3 is greater than the total of the results reached under (a) of paragraph 3, the auditor shall notify the Lincoln Non-Stock Cooperative Milk Producers Association or the Milk Board, whichever is in charge of the equalization pool, to pay to such distributor out of the equalization fund the difference between such totals.

8. The notices provided for under sections 4, 5 and 6 shall be given on or before the tenth day of the period immediately succeeding the period to which they apply.

9. All payments by distributors to producers shall be made on or before the fifteenth day of the month immediately succeeding the calendar month to which such payments apply.

10. All payments by distributors into the equalization fund of the difference computed under paragraph 4 and all payments out of the equalization fund to distributors of the difference computed under paragraph 5, shall be made on or before the last day of the period immediately succeeding the period to which such payments apply.

11. Distributors shall keep adequate books and records disclosing all of the facts and information required by the auditor to determine, upon an audit, purchases, sales, movements out of plants and uses of all milk in its various classifications. For such purpose, the books and records of each distributor shall be available to the auditor. Any discrepancies found in the aforesaid half monthly reports of purchases and sales or usage shall be adjusted when the next period's computations are made.

12. The auditor shall notify the Milk Board of all reports made to, of information obtained by, and of the results of all computations made by him.

EXHIBIT C

PRICE SCHEDULE FOR WHOLESALE AND RETAIL SALES

1. Sales of the following articles in the Sales Area shall be at prices hereinafter set forth. Sales of the following articles in bottles or containers shall be made only in bottles or containers of the size specified, and where a grade and/or percentage of butterfat is specified, only at the specified grade and/or percentage.

2. It shall not be deemed a violation of this Agreement to add to the selling price of any article or articles hereinafter listed in this Exhibit any specified sales or occupational taxes imposed by the laws of any State, if permitted by such laws, but any such additions shall be uniform as to all contracting distributors and/or sellers of milk at retail.

3. The contracting distributor may sell to any public unemployment relief agency, any welfare charity or government agency at less than the following prices, upon competitive bids or otherwise.

4. The prices listed in the retail price schedule shall apply as follows:

(a) Home delivery (column A) means retail sales by distributors, stores or markets where milk is delivered to the home of the purchaser.

(b) Store, (column B) means retail sales from stores or markets where purchaser removes the milk from place where bought.

5. Wholesale, delivered, (column C) prices shall apply in connection with sales as follows:

(a) To stores, markets, and other places where milk is re-sold in its original container for consumption other than on the premises.

(b) To restaurants, drug stores, confectioneries, hotels, and clubs where said articles are used and/or consumed on the premises.

6. Peddler sales f. o. b. plant (column D) means sales to small dealers not owning and operating plants for handling fluid milk who resell the milk in its original containers.

7. Where milk is sold by stores or at wholesale, in glass bottles, a deposit charge of 5 cents per bottle shall be made, returnable upon return of the bottle.

3. WHOLESALE AND RETAIL PRICE SCHEDULE

	R E T A I L		W H O L E S A L E	
	Home Delivery	Store	Delivered	Peddler Sales f.o.b. Plant
	(A)	(B)	(C)	(D)
Milk <u>3.3 to 4 %</u> fat	¢	¢	¢	¢
Gallons { (over <u>10</u> gals.			26	
(under <u>10</u> gals.	36	36	28	25
Quarts	9	9	7 1/2	7
Pints	6	6	5	4
Half Pints			3	2 3/4
Milk <u>4. to 4.6 %</u> fat				
Gallons { (over <u>10</u> gals.			30	
(under <u>10</u> gals.	40	40	32	27
Quarts	10	10	8 1/2	8
Pints	6	6	5	4
Half Pints			3 1/4	3

WHOLESALE AND RETAIL PRICE SCHEDULE
(continued)

	R E T A I L		W H O L E S A L E	
	Home Delivery (A)	Store (B)	Delivered (C)	Peddler Sales f.o.b. Plant (D)
Milk 4.6 and over % fat	¢	¢	¢	¢
10 and (over _____ gals.			34	
Gallons (under 10 gals.	44	44	36	30
Quarts	11	11	9 1/2	8
Pints	7	7	6	5
Half Pints			3 1/2	3
Vitamin D Milk				
Quarts	11	11	9 1/2	-
Pints	7	7	6	-
Half Pints			3 1/2	-
Buttermilk (Churned) or cultured				
Gallons			20	16
Quarts	8	8	7	6
Pints	-	-	5	4
Half Pints	-	-	3	2 1/2
Buttermilk (Cultured under 1% fat)				
(over _____ gals.				
Gallons (under _____ gals.				
Quarts				
Pints				
Half Pints				

WHOLESALE AND RETAIL PRICE SCHEDULE
(continued)

	R E T A I L		W H O L E S A L E	
	Home Delivery	Store	Delivered	Peddler Sales f.o.b. Plant
	(A)	(B)	(C)	(D)
Buttermilk (Cultured Whole Milk) (over _____ gals. (under _____ gals. Gallons Quarts Pints Half Pints	¢	¢	¢	¢
Skim milk Gallons Quarts	20 5	20 5	10 4	10 3
Chocolate Milk _____ % fat Gallons Quarts Pints Half Pints	 10 6 5	 10 6 5	32 8 1/2 5 3	28 8 4 2 1/2
Cream (Table or coffee) 18 to 22 % fat Gallons Quarts Pints Half Pints Gills	 38 20 10	 38 20 10	1.20 30 17 8 1/2	1.10 26 15 7 1/2

WHOLESALE AND RETAIL PRICE SCHEDULE
(continued)

	R E T A I L		W H O L E S A L E	
	Home Delivery	Store	Delivered	Peddler Sales f.o.b. Plant
	(A)	(B)	(C)	(D)
Cream (Medium Fat) _____ % fat 23 to 29	¢	¢	¢	¢
Gallons	-	-	1.40	1.24
Quarts	45	45	35	32
Pints	25	25	21	18
Half Pints	12	12	10 1/2	9
Gills				
Cream (Heavy) 30 to 36 % fat				
Gallons			2.00	1.80
Quarts	60	60	50	46
Pints	35	35	25	23
Half Pints	16	16	13	12
Gills				
Cream (Sour) _____ % fat (over _____ gals. Gallons (under _____ gals. Quarts Pints Half Pints Gills	Same price as sweet cream of similar test.			

WHOLESALE AND RETAIL PRICE SCHEDULE
(continued)

	R E T A I L		W H O L E S A L E	
	Home Delivery	Store	Delivered	Peddler Sales f.o.b. Plant
	(A)	(B)	(C)	(D)
Cottage Cheese	¢	¢	¢	¢
Bulk (per pound)	14	14	10	9
Glasses				
12 oz. package	12	12	10	8 1/2
10 oz. "	10	10	8	7
Cottage Cheese (Creamed)				
Bulk (per pound)				
1-lb. packages				
12 oz. "				
10 oz. "				

EXHIBIT "D"

RULES OF FAIR PRACTICE

The following practices are considered unfair and shall not be engaged in by the contracting distributors or by their officers, employees, or agents:

- (1) Any method or device whereby fluid milk is sold or offered for sale at a price less than that stated in the Agreement, whether by discount, rebate, free service, merchandise, credit for bulk fluid milk returned, loans or credit outside the usual course of business or other valuable consideration or combined price for such milk together with another commodity sold or offered for sale whether separately or otherwise, or whereby a subsidy is given for either business or information or assistance in procuring business.

EXHIBIT "E"

Organization District Milk Industry Committee, Regional
Milk Industry Board and National Milk Industry Board.

1. For the purpose of securing maximum advantages to the contracting parties and to consumers under the terms of this Agreement and similar agreements, the Secretary hereby designates the sales area to be in Region

No. _____, District No. _____,
as indicated in Exhibit "E", which is attached hereto and made a part hereof.

2. A District Milk Industry Committee shall be established for District
No. _____, Region No. _____,

to consist of one representative of the contracting producers of the production area and one representative of the contracting distributors of the sales area, and if and when designated, other production areas and sales areas in District

No. _____, Region No. _____.

Such representatives shall be designated by the Milk Boards. The chairman of the first Milk Board organized in District No. _____,

Region No. _____ shall call by written notice the first meeting of the representatives composing the District Committee. The District Committee shall be organized at such first meeting by election from among their number, of a chairman, vice-chairman, and secretary, who shall perform the duties usually devolving upon such officers. The Secretary or his designated representative shall receive notice of all meetings, have the privilege of the floor, but shall not have a vote on any matters coming before the District Committee.

3. A regional Milk Industry Board shall be established for Region
No. _____ to consist of one representative of the contracting

producers, and one representative of the contracting distributors of District
No. _____, and if and when designated other districts
in Region No. _____. The representatives of each District shall

be designated by the District Committee of each District. The Secretary shall call by written notice to the District Committees of Region No. _____ the first meeting of the representatives composing the Regional Board. The Regional Board shall be organized at such first meeting by election from among their number, of a chairman, vice-chairman, secretary, and treasurer, who shall perform the duties usually devolving upon such officers. The Secretary, or his designated representative, shall receive notice of all meetings, have the privilege of the floor, but shall not have a vote on any matters coming before the Regional Board.

4. A National Milk Industry Board shall be established for the United States, to consist of one representative of the contracting producers and one representative of the contracting distributors of Region No. _____, and all other regions as designated in Exhibit "E", attached hereto. The representatives of each Region shall be designated by the Regional Boards of each Region. The Secretary shall call, by written notice to the secretaries of

the Regional Boards, the first meeting of the representatives composing the National Board. The National Board shall be organized at such first meeting by election from among their number of a chairman, vice-chairman, secretary, and treasurer, who shall perform the duties usually devolving upon such officers. The Secretary, or his designated representative, shall _____ receive notice of all meetings, have the privilege of the floor, but shall not have a vote on any matters coming before the National Board.

5. All voting members of the District Committees, Regional Boards and the National Board shall serve without compensation, but shall be entitled to reimbursement for the expenses incurred in the performance of their duties.

(a) Expenses of members of District Committees shall be paid by the Milk Boards which such members represent.

(b) Expenses of members of Regional Boards and necessary operating expenses of Regional Boards shall be paid by the Milk Boards of the Region in the manner as hereinafter decided.

(c) Expenses of members of the National Board shall be paid by the Regional Boards which such members represent.

6. A budget for a stated period shall be established by the Regional Board to cover its estimated expenses. Such budget shall be submitted to the Milk Boards of Region No. _____ together with a statement of the amount in cents or fractions thereof per hundredweight of fluid milk sold within the region necessary to cover such budget. Each such Milk Board shall note the period of the budget, amount per hundredweight and make payment to the treasurer of the said Regional Board in accordance with the volume of fluid milk sales sold in its sales area _____ for the three months immediately preceding date of budget. Payment of the sums determined in accordance with the provisions hereof may be paid in total or divided into as many installments as there are months covered by the period of the budget. The payment of such total sum, or the installments of such sum, if paid in installments, shall be made upon the twentieth of the month following receipt of the budget, and thereafter if payments are made in installments upon the twentieth of each succeeding month. The payments herein mentioned may, for good cause shown, be deferred from time to time upon approval of the Secretary.

7. The Regional Boards shall maintain a system of accounting and records which shall accurately reflect their true accounts and financial conditions. The Regional Boards' books and records shall be available during the usual business hours for inspection by authorized representatives of the Milk Boards within the Region.

8. Subject to such regulations as the Secretary may prescribe, it shall be the duty of the District Committee;

(a) to act as an advisory and coordinating committee within the industry;

(b) to make recommendations to the Regional Board relative to matters affecting the industry;

(c) to receive and investigate complaints arising from differences between the various sales areas and production areas operating within the district under agreements similar hereto;

(d) to report its findings, with recommendations to the Secretary for proceedings under the Act or otherwise which he may deem advisable.

9. Subject to such regulations as the Secretary may prescribe, it shall be the duty of the Regional Board:

(a) to act as an advisory and coordinating board within the industry;

(b) to make recommendations to the National Board relating to matters affecting the industry;

(c) to receive and investigate complaints arising from differences between the Districts;

(d) to make recommendations to the Secretary on matters affecting the industry within its Region.

10. Subject to such regulations as the Secretary may prescribe, it shall be the duty of the National Board:

(a) to act as an advisory board for the industry;

(b) to make recommendations to the Secretary relating to matters affecting the industry;

(c) to receive and investigate complaints arising from differences between the Regions;

(d) to report its findings, with recommendation, to the Secretary for any proceedings under the Act or otherwise which he may deem advisable.

NEBRASKA: Index of prices paid by producers for commodities bought, farm prices of milk, wholesale and retail, indices of farm prices of milk, wholesale and retail, parity prices of milk wholesale, seasonal correction and adjusted parity prices, average August 1909 to July 1914, and monthly, 1933

[illegible]

LINCOLN, NEBRASKA: Buying and selling prices of milk by months 1932-1933

Year & Month	Dealers' buying Allow- prices per cwt. ance				Dealers' selling prices				Special Certi- fied milk		Cottage Cheese		Light cream 18-25%	
	raw milk deliv- ered (basic prices 3.5% fat, basis)	per 1/10 per cent butter- fat per cwt.	per gal. in lots of 5-20 gal. in bulk	per cwt.	Wholesale trade, per gal.	Per qt. bot- tled to (cases of 12)	Per qt. bot- tled to family trade	Store prices per qt. bottled	of milk: price per qt.	Retail price per qt.	Whole- sale price per lb.	Whole- sale price per lb.	Whole- sale price per 1/2 pt. gal.	Retail price per 1/2 pt. gal.
1932														
Jan.	1.98	4.0	26		8	10	10	10	14	-	8*	10*	1.16	10
Feb.														
March	1.53	4.0	23		7	9	9	9	12	-	7*	9*	1.00	9
April	1.53	4.0	23		7	9	9	9	12	-	7*	9*	1.00	9
May	1.28	4.0	21		6	8	8	8	11	-	6*	8*	.92	8
June	Not available		21		6	8	8	8	11	-	6*	8*	.92	8
July	"		20		6	8	8	8	11	-	6*	8*	.88	8
Aug.	"		20		5 1/2	8	8	8	11	-	5 1/2*	6*	.88	8
Sept.	"		24		7	9	9	9	12	-	7*	9*	.96	9
Oct.	"		24		7	9	9	9	12	-	7*	9*	.96	9
Nov.	"	-	20		5	6	6	6	9	-	7*	9*	.80	6
Dec.	-	-	22		6	7	7	7	10	-	8	10	.95	7
Average	1.58	4.0	22.18		6.41	8.27	8.27	8.27	11.36	-	15.55	7.27	.95	8.27
1933														
Jan.	-	-	20		5	7	7	7	10	-	8	10	.80	7
Feb.	-	-	20		5	7	7	7	10	-	6	8	.80	7
March	-	-	20		5	7	7	7	-	-	6	8	.80	7
April	-	-	20		5	7	7	7	10	-	6	8	.80	7
May	1.26	3.6	22		6	8	8	8	10	-	9	-	.88	8
June	1.26	3.6	22		6	8	8	8	10	-	9	9	.88	8
July	1.52	4.35	25		7	9	9	9	11	11	8	10	1.00	9
Aug.	1.52	4.35	25		7	9	9	9	11	-	10	10	1.00	9
Sept.	1.52	4.35	27		7	9	9	9	11	-	8	10	1.00	9
Oct.	1.52	4.35	25		7	9	9	9	11	-	8	10	1.00	9
Nov.														
Dec.														

*12 oz. package

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

PROPOSED MARKETING AGREEMENT - LINCOLN NEBRASKA AREA

SUBMITTED BY: Lincoln Non-Stock Co-Operative Milk
Producers Association.

DRAFTED: November 1933

I, Ammon McClellan, Chief Hearing Clerk,
Department of Agriculture, do hereby certify that
this is a true and correct copy of the Marketing
Agreement for Milk Lincoln, Nebraska Area delivered
to this office by Dr. Clyde L. King, Chief Dairy
Section.

Ammon McClellan,
Chief Hearing Clerk
5428 South Building
Department of Agriculture.